

SECRET

SECRET

3

United States Department of State
Office of FOI, Privacy, & Classification Review
Review Authority: William J. Gehron
Date: 07/31/98
Case ID: 9303778

UNCLASSIFIED

October 14, 1986
RELEASED

ICELAND CHRONOLOGY

Thursday, October 9

The President left Andrews AFB aboard Air Force One at about 9:45 am on Thursday morning, October 9. He arrived in Iceland, landing at Keflavick airport, Iceland at 7:05 pm. where he was greeted by officials of the Government of Iceland. He then proceeded to the residence of the US Ambassador to Iceland, Ambassador Ruwe, arriving there shortly after 8 pm. The President stayed in the Ambassador's house during his stay in Iceland. (U)

After arrival, and through the evening, the US traveling team established offices in a centrally located, school building. When the team arrived, they noted that above the door of the building someone had appropriately hung a large sign calling the school the "IEOB" (Icelandic Executive Office Building). (U)

The primary substantive work over the first evening was to ensure that all last minute changes to the President's preparatory material was completed. Staff also monitored progress on reaching agreement with the US Congress on aspects of the continuing resolution, especially a critical agreement on arms control related language that still, inappropriately remained in the document. (U)

Friday, October 10

On Friday morning, the President met privately with a few of his most senior advisors. (U)

At 10 am, Secretary Shultz gathered some of those staff in the US traveling team which were expert in the substance of the issues that were to be discussed in Ambassador Ruwe's office in the US Embassy (which is next to the Ambassador's residence where the President was staying). This skull session was to lay out the gameplan for providing the expert, substantive support for the President in Iceland. (U)

At 11 am, all participants joined the remainder of the US traveling team in a meeting in the Holt Hotel (1 block away, the hotel where the Secretary of State and most US staff were housed) chaired by the White House Chief of Staff, Donald Regan, to review security and lay down the rules for dealing with the public and press during the talks. (U)

At 11:30 am, the President met with a core of senior staff and selected experts. The first event was a briefing and discussion focused on the general background of the Iceland meeting and on non-arms control issues. This session was held around the table in the dining room of the residence. Present were the President, the Secretary of State, the Chief of Staff, the National Security Advisor, Mr. Speakes, Mr. Henkel, Mr.

SECRET

Declassify on: OADR

UNCLASSIFIED

Thomas, Ambassador Hartman, Ambassador Ridgway, Ambassador Matlock, Ambassador Nitze, and Colonel Linhard. After a bit more than an hour, the group took a short break to permit the table to be set for lunch. (U)

The conversation continued over lunch, with the discussion turning to the area of arms reductions. Following lunch, again after a short break to permit the dishes to be cleared, the group reconvened once again to complete the discussion of the arms control area. At this point, Assistant Secretary Richard Perle and Ambassador Max Kampelman also joined the discussion. This preparatory session ended at about 2:30 pm. (U)

During the remainder of the afternoon, the President studied preparatory materials and had a formal welcoming ceremony with the Icelandic government. At this ceremony, held about 4:30 pm, he met with Icelandic President Finnbogadottir and other officials. (U)

At the same time, selected members of the US party provided press backgrounders on the key issues before the agreed press blackout was to go into effect. At 7 pm, Larry Speakes issued the attached statement on US nuclear testing policy (Tab A). This statement was a direct result of the previous evening's work both in Iceland and in Washington. (U)

That evening, the President dined with his senior advisors and had the opportunity for one final review of the most critical issues. (U)

Saturday, October 11

On Saturday morning, the President had a series of briefings with his senior staff and a small core of experts, putting the finishing touches on the points that he wished to make with the General Secretary. (U)

At 10:15 am, the US team left for Hofdi House. Besides the President, also included were the Secretary of State, the White House Chief of Staff, the National Security Advisor, Mr. Speakes, Mr. Henkel, Mr. Thomas, Ambassador Matlock, Ambassador Ridgway, Ambassador Hartman, Ambassador Nitze, Ambassador Kampelman, and Colonel Linhard. (U)

As host for the first meeting, the President was the first to arrive. At 10:30 am, the General Secretary and his team arrived. After a greeting, and a short photo opportunity, the two leaders began a private session (with only a notetaker) in a small room in the right rear corner of the first floor of the house. The US and Soviet delegations went upstairs to waiting areas on the second (top) floor. The US side had two holding rooms and a bathroom on the left side of the house. The Soviet side had similar rooms on the right side of the second floor.

Both teams shared a common, large meeting room, in the center rear of the house, where they could hold informal conversations over coffee waiting for any requests by the leaders. (U)

During the morning session, Secretary General Gorbachev made the following proposals in the form of a paper entitled "Directives for the Foreign Ministers of the USSR and the USA to prepare agreements on nuclear disarmament": (U)

1. On Strategic arms. He proposed that the leaders instruct the foreign ministers to draft an agreement to reduce by fifty percent the strategic offensive arms of the both sides "taking into consideration the historically formed distinctive features of the structures of the Parties' strategic forces." In short, he proposed that both sides simply cut in half inventories in certain critical categories of systems, including heavy missiles. No specific categories were identified, but the idea was clear. (U)

He also called for a solution with regard to limiting the deployment of long-range sea-launched cruise missiles. (C)

2. On LRINF missiles. He proposed that the ministers draft an agreement on the complete elimination of US and Soviet LRINF missiles in Europe with "the nuclear potentials of Great Britain and France not to be affected or taken into account." He also included that negotiations would be initiated on shorter-range, intermediate-range missiles (SRINF), missiles with ranges below 1,000 kilometers. In this regard, he indicated to the President orally that such systems could be frozen and the subsequent negotiations focus on their reduction. In the proposed Soviet document, he proposed that negotiations shall be initiated on Soviet and US medium-range systems in Asia as early as practically possible. The President made absolutely clear the US and Allied requirements for reductions of Soviet SS-20s in Asia. At this point, General Secretary Gorbachev indicated no flexibility on the issue of reductions of the over 500 warheads on Soviet LRINF missiles (SS-20s) in Asia -- rather he proposed the elimination of LRINF missiles in Europe and subsequent negotiations on the missiles in Asia. (U)

3. On the ABM Treaty issue and "on banning nuclear tests". In the document that the General Secretary provided as a non-paper to the President, the Soviets treated the issues of the ABM Treaty and, as they termed it, "on banning nuclear tests" as one single area.

The text suggested that for the purpose of "strengthening the regime of the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems," that an understanding be reached that neither side would exercise its right to withdraw from the ABM Treaty for a period of ten years. In addition to strictly complying with all its provisions throughout that period, the Soviet proposal

UNCLASSIFIED

added that testing in space of all missile-defense space elements shall be prohibited except for research and testing carried out in laboratories. The text also carefully noted that this would not entail a ban on the testing of such fixed land-based systems and their components as are allowed under the ABM Treaty. It went on to say that subsequently (to this 10 year period), the sides would negotiate "further mutually acceptable solutions in this area". Finally, in the Defense and Space area, the document called for additional efforts to achieve mutually acceptable agreements banning anti-satellite systems.

With regard to nuclear testing, the Soviet text called upon the US and Soviet Union to "resume" negotiations on the "complete cessation of nuclear tests" as early as practically possible. In the course of these negotiations, the Soviets suggested that questions relating to verification, "lowering the threshold of the yield of explosions and reducing their number, and to the 1974 and 1976 Treaties, could also be examined. Finally, in this area, the document noted that the "initiation of negotiations on banning nuclear explosion shall be a condition for working out an agreement on strategic arms."

In his oral presentations, the General Secretary made the point that the Soviets were prepared to accept the US structure for addressing what they termed the ABM Treaty issue. By this the General Secretary meant that the Soviets now proposed a structure under which first there would be a 10 year period of non-withdrawal from the ABM Treaty, followed by a period of from 3-5 years of negotiations on "further mutually acceptable solutions in this area". The President corrected him by describing the US position in this area that had been initially offered to General Secretary Gorbachev in a letter from the President delivered in late July. The President pointed out that while both involved periods in which the deployment of advanced defense were prohibited followed by periods of negotiation, there were significant differences between the approaches.

The US position was that both sides should confine themselves through 1991 (5 years from now) to research, development and testing, which is permitted by the ABM Treaty. After that time, should either side wish to move toward deployment of advanced defenses, that side would offer a plan which provided for the sharing of the benefits of such defenses in association with the reduction and total elimination of all offensive ballistic missiles. After 2 years of negotiations on this plan, if no agreement had been reached, either side would be free to deploy advanced defenses after giving the other side six months prior notice.

Unlike the Soviet approach, there was no mention of a commitment not to withdraw from the ABM Treaty (a treaty that the Soviet Union was already violating) in the US position. And, unlike the Soviet proposal, at the end of the 2 year negotiations

UNCLASSIFIED

proposed by the US, both sides had a clear right to deploy defenses.

In the conversations between the President and the General Secretary on nuclear testing, Mr. Gorbachev did not press the President to agree to join in the Soviet nuclear testing moratorium. Instead, he proposed that negotiations resume on the elimination of testing. He said these negotiations could be bilateral or trilateral (US-UK-USSR). He outlined the agenda described in the text of the document cited above. Finally he noted that during these negotiations, each side would do whatever it wished with respect to testing or not testing.

At about 11:15 am, the leaders asked Secretary Shultz and Foreign Minister Shevardnadze to join them in the discussion. This discussion lasted until about 12:30 pm. At that point, the both leaders and their advisors left to their own deliberations over lunch. (U)

During the morning, the remainder of the US expert group (including Ambassador Rowny, ACDA Director Adelman, Asst. Secretary of Defense Perle, Lieutenant General John Moellering of the JCS, and others) waited on call at the US Embassy. When the Presidential motorcade arrived, the President and his senior advisors debriefed the expert group on the morning's events. Following the initial debrief, the arms control experts group began study of the Soviet positions. The President went to the residence for lunch. (U)

From 1 pm to 2 pm, the President had lunch with the same group that dined with him on Friday with the exception of Ambassador Nitze and Colonel Linhard who were working with the experts group.

At about 2 pm, the experts group joined the President and his other senior advisors in the dining room of the residence to have one final discussion before the afternoon meeting. At that time, the President decided to propose a series of two working sessions (one on human rights and one on arms control) and the experts group began to focus its efforts to prepare for such a contingency.

At 3:15 pm, the President motorcaded back to Hofdi House for the afternoon session. The same team as participated in the morning session returned to Hofdi with the President with the exception of Ambassador Matlock, Ambassador Nitze, Ambassador Kampelman and Colonel Linhard, all of whom remained behind involved in preparations for the evening sessions.

During the afternoon session, the two leaders met with Secretary Shultz and Foreign Minister Shevardnadze present. The President delivered a long presentation on the US positions on START, INF, Defense and Space, Nuclear Testing and Risk

Reduction. A range of non-arms control subjects were also discussed. The meeting ended at about 5:45 and the President returned to the US Embassy to meet with the arms control experts group.

At about 6:15 pm, the President met with Secretary Shultz, Mr. Regan, Admiral Poindexter, Ambassador Nitze, Ambassador Kampelman, Asst. Secretary Perle, ACDA Director Adelman, and Colonel Linhard in the small, secure area in the US Embassy. The President reviewed the afternoon's discussions and gave guidance for the evenings sessions. He explained that the General Secretary agreed to have both sides two groups of experts meet at Hofdi House beginning at 8 pm that evening to see if they could agree on a joint instruction to Foreign Ministers covering the major arms control topics under discussion and also non-arms control issues.

At about 6:45 pm, the President returned to the Ambassador's residence (next door and connected by an internal door to the Embassy). That evening he had a private dinner with Secretary Shultz, Mr. Regan and Admiral Poindexter. During this dinner, a number of contingency options were discussed for potential use if need the next day.

From 7 pm to 8 pm, the arms control expert group finalized their preparations in the US Embassy, and then departed for the Hofdi House. This team, led by Paul Nitze, met with a Soviet team headed by Marshal Akhromeyev for about 10 1/2 hours in an effort to develop draft guidance to foreign ministers on START, INF, Defense and Space, and nuclear testing, with the following results.

The US and Soviet groups made considerable progress on START, but the Soviets made this contingent on their position on Defense and Space which would involve additional restrictions on SDI. The Soviets stuck to their unforthcoming position on INF, and refused to accept U.S.-proposed language aimed at bridging the differences between the two sides on characterization of negotiations on nuclear testing.

With respect to START, the groups agreed that there would be an overall limit of approximately 1,600 Strategic Nuclear Delivery Vehicles consisting of ICBMs, SLBMs and Heavy Bombers; and, an overall limit of no more than 6,000 nuclear weapons consisting of ballistic missile warhead, ALCMs, and heavy bombers armed with bombs and SRAMs, with such heavy bombers to count as a single reentry vehicle. The Soviets repeatedly refused to consider sublimits on these systems, saying each side should be free to allocate its 6,000 nuclear weapons as it saw fit, although they agreed that in reaching agreement on the text below this did not preclude further discussion of sublimits at Geneva. The Soviets agreed that reductions would involve significant cuts in Soviet heavy missiles.

Both sides agreed that they will seek mutually acceptable limits on nuclear-armed sea-launched cruise missiles (SLCMs), with out side making clear that the only feasible option we had yet identified was a declaration by each side of its planned nuclear SLCM deployments. The groups developed agreed language for consideration by the leaders on the following day.

"On strategic arms. An agreement would be prepared to reduce by fifty percent strategic offensive arms to an equal number of ICBMs, SLBMs and heavy bombers (approximately 1600) and warheads (not more than 6000), taking into account historically formed distinctive features of the structures of the Parties' strategic forces. Within this framework, reductions shall apply to all types of strategic offensive arms, including a significant number of heavy missiles. A mutually acceptable solution shall also be found to limiting deployment of long-range nuclear-armed sea-launched cruise missiles."

The Soviets reiterated, however, that their agreement to such strategic reductions remains linked to an agreement in Defense and Space calling for non-withdrawal from the ABM Treaty for 10 years and additional restrictions on research.

With respect to INF, the Soviet side would not budge from the formula that Gorbachev had provided earlier in the day to the President, that is an agreement on zero/zero in Europe, with no cuts in Asia until a subsequent negotiation. After some discussion, they suggest a freeze on SRINF at the current levels for each side (which codify an advantage to them of approximately 120 to 0). The U.S. team was just as adamant that there would be no agreement on systems in Europe without a simultaneous agreement substantially reducing SS-20s in Asia, and that we could agree to zero in Europe and zero in Asia.

The US side also pressed the Soviets on the issue of the duration of an interim agreement, and on the proper limitations on SRINF missiles, saying we saw no reason why the two sides could not agree on these points while acknowledging differences over the question of SS-20s in Asia. The US side provided specific language on each of these issues as follows:

"The sides agree:

-- That since there does not yet exist agreement on the proper treatment of LRINF missile systems in Asia, the resolution of this issue shall be found on a priority basis.

-- There will be limits and constraints on SRINF missiles to the current Soviet level, which will take into account the capabilities of these systems and reflect equality between the US and the Soviet Union.

-- There will be specific verification measures which include: (1) a comprehensive and accurate exchange of data, both prior to reductions and thereafter; (2) on-site observation of elimination down to agreed levels; and (3) effective monitoring of the remaining LRINF inventories and associated facilities, including on-site inspection.

-- US and Soviet INF missile systems will remain subject to and constrained by this agreement until the sides negotiate further reductions in these systems."

The Soviet side would not agree with the US formulations. They argued that the next step was to have the leaders address the problem of Asia, and with this solved, the other areas could be resolved.

In the area of Defense and Space, the Soviets refused to consider any formulation other than their own -- agreement to non-withdrawal from the ABM Treaty at least 10 years, and agreement to a ban on all but laboratory research on space-based ABM systems. The U.S. team suggested that foreign ministers be instructed to examine three questions:

-- "How can activities with respect to the investigation of advanced strategic defenses be synchronized with the shared goal of eliminating all offensive ballistic missiles?"

-- Under what conditions and in what general timeframe could both sides consider a transition to an increased reliance on advanced strategic defenses?

-- Until those conditions are met, what common understanding about ABM Treaty restrictions on activity associated with advanced strategic defenses can be reached?"

In response, the Soviet side simply reiterated the proposal which Gorbachev outlined earlier to the President.

Turning to Nuclear Testing, there was essentially no difference between the US and Soviet positions except that the Soviets wish to portray the negotiations, which we both agree should take place immediately, as being for the purpose of prohibiting all nuclear testing. We introduced language (below) which laid out our step-by-step approach and made clear that the ultimate aim was elimination of nuclear testing in parallel with elimination of nuclear weapons. The U.S.-proposed language was as follows:

"The U.S. and Soviet Union will begin negotiations on nuclear testing. The agenda for these negotiations will first be to resolve remaining verification issues associated with existing treaties. With this resolved, the U.S. and USSR will immediately proceed, in parallel with the

reduction and elimination of nuclear weapons, to address further step-by-step limitations on testing leading ultimately to the elimination of nuclear testing."

Even when the US side pointed out to the Soviet side the extent to which this language accommodated their agenda, they insisted on their alternative formulation based on the document provided earlier to the President, which was unacceptable to us because it characterizes the negotiations as on the "elimination of nuclear testing" which we felt did not reflect the entire agenda. It also failed to indicate the relationship between the retention of nuclear weapons and the need to test them which we feel is a simple fact.

The discussions described above ran from 8 pm on Saturday night to about 2:30 am Sunday morning. At that time, both sides requested a break to consult with their leaders. Members of the US team met with the Secretary of State in his hotel room at the Holt Hotel, and discussed the situation with Admiral Poindexter who was at the British Ambassador's residence. The teams returned to the Hodfi House and reentered discussion shortly after 3 am. and the teams continued their discussions until about 6:30 am Sunday morning...

During the same evening, a US team of specialists on non-arms control matters also met with a team of their Soviet counterparts. The discussions of this group ran from 8 pm on Saturday night to about 2 am Sunday morning. These discussion resulted in the documents attached at Tab B.

Sunday, October 12

At 8 am on Sunday morning, both US groups of experts briefed Secretary Shultz and Admiral Poindexter, providing them a written report of the night's work for the President.

At 9 am, these two advisors and Mr. Regan briefed the President and discussed the plan for the next (and supposedly final) meeting at Hodfi House.

Shortly before 10 am, the President's motorcade left for Hodfi House. The decision had been made to have all the senior US experts available at Hodfi House for this final session so the working quarters on the second floor of the house were more crowded than during the first day.

Shortly after 10 am, the General Secretary and the President once again began their discussions with Secretary Shultz and Foreign Minister Shevardnadze participating. The two leaders discussed the results of the previous night. During that discussion, General Secretary Gorbachev agreed to eliminate all Soviet SS-20s in Europe and reduce Soviet SS-20s in Asia to 100 total warheads in return for the elimination of all US PERSHING

UNCLASSIFIED

II and GLCM warheads except for 100 warheads in the United States. The discussions ran until after 1:30 pm, well beyond the time that they were scheduled to end. With some language to work with in the START area, and new agreement in the INF area but no language reflecting this agreement, the two leaders agreed to meet again that afternoon at 3 pm to see if they could reach any closure on remaining issues.

When the Soviet team departed, the US team (which had already gotten into the motorcade cars) was called back into Hofdi House. A small group was formed (Secretary Shultz, Admiral Poindexter, Ambassador Nitze, Ambassador Kampelman, Asst. Secretary Perle and Colonel Linhard) to quickly draft language in the Defense & Space, INF and Nuclear Testing areas.

About 2:15 pm, while this work was in progress, Foreign Minister Shevardnadze arrived with a small team of advisors and the two groups had a short conversation to confirm the purpose and scope of the afternoon's activity.

At about 2:30 pm, as this short session was completed, the President arrived and the US team met with the President and Mr. Regan to discuss how to approach the upcoming session with the General Secretary. It was at this session that the following proposal, which built upon ideas that had been discussed previously as contingencies at the senior advisor level and with the President, was discussed and approved for use by the President. The text of the proposal was as follows:

"Both sides would agree to confine itself to research development and testing which is permitted by the ABM Treaty for a period of 5 years, through 1991, during which time a 50 percent reduction of strategic nuclear arsenals would be achieved. This being done, both sides will continue the pace of reductions with respect to the remaining ballistic missiles with the goal of the total elimination of all offensive ballistic missiles by the end of a second 5-year period. As long as these reductions continue at the appropriate pace, the same restrictions will continue to apply. At the end of the 10-year period, with all offensive ballistic missiles eliminated, either side would be free to deploy defenses."

In reviewing this language, the President noted that the elimination of all offensive ballistic missiles would also eliminate the remaining 100 Soviet and US LRINF warheads, and all remaining SRINF ballistic missiles that would result from the INF agreement. This fact, he noted, allow the proposal to fully complement the other agreements reached.

At 3 pm, the President and Secretary Shultz reentered discussions with the General Secretary and Foreign Minister. At about 4:30 pm, the President came upstairs to meet with his

UNCLASSIFIED

advisors. He carried with him a Soviet counter-offer on a typed sheet which called for: a 10 year commitment not to withdraw from the ABM Treaty; a prohibition on the testing in space of all space components of missile defense with such research confined to laboratories; an agreement to a 50% reduction in strategic offensive arms within the first 5 years; an agreement that in the next 5 years the remaining strategic offensive arms would be eliminated; and, no mention was made of a subsequent right to deploy defenses.

The President discussed with his advisors the changes made by the Soviet side, especially the change in the terms for the second 5 year period. Based on his guidance, a revised US proposal was drafted as follows:

"The USSR and the United States undertake for ten years not to exercise their existing right of withdrawal from the ABM Treaty, which is of unlimited duration, and during that period strictly to observe all its provisions while continuing research, development and testing, which are permitted by the ABM Treaty. Within the first five years of the ten-year period (and thus through 1991), the strategic offensive arms of the two sides shall be reduced by 50 percent. During the following five years of that period, all remaining offensive ballistic missiles of the two sides shall be reduced. Thus by the end of 1996, all offensive ballistic missiles of the USSR and the United States will have been totally eliminated. At the end of the ten year period, either side could deploy defenses if it so chose unless the parties agree otherwise."

The President returned to the meeting room with Secretary Shultz at about 4:45 pm. There the discussion continued to focus on the issue of the treatment of Defense and Space. Some time after 7 pm, the discussion ended. The President could not agree to the reinsertion of language restricting critical SDI research only to the laboratory -- and the General Secretary would not alter his position on this critical point.